

Email: sergey.bezborodov@ch.pwc.com
PricewaterhouseCoopers AG
Birchstrasse 160, CH-8050 Zurich

Allister Crossley ---25.02.2013 14:28:59---Dear Juan

From: Allister Crossley <ACrossley@applebyglobal.com>
To: Andri Manatschal/CH/TLS/PwC@EMEA-CH
Cc: Aidan McCowliff <AMcCowliff@applebyglobal.com>, Juan Thornley <JThornley@applebyglobal.com>, Julia Tabakova/RU/ABAS/PwC@EMEA-CEE, Alexey Bely/CH/TLS/PwC@EMEA-CH, Sergey Bezborodov/CH/TLS/PwC@EMEA-CH
Date: 25.02.2013 14:28
Subject: RE: A Group - CLG structuring slides.pptxs

Dear Andri

Many thanks for the below, it is greatly appreciated.

I will arrange for a revised proposal to be prepared as there have been a number of changes since the original proposal was prepared. Once your client has confirmed that this is in order, we will supply a full list of the due diligence on the ultimate client and connected parties in order to assist.

Should you require anything further, please let me know.

With kind regards

Allister Crossley Manager - Client Services Appleby Trust (Isle of Man) Limited

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From: andri.manatschal@ch.pwc.com [<mailto:andri.manatschal@ch.pwc.com>]

Sent: 22 February 2013 14:22

To: Allister Crossley

Cc: Aidan McCowliff; Juan Thornley; julia.tabakova@ru.pwc.com; alexey.bely@ch.pwc.com; sergey.bezborodov@ch.pwc.com

Subject: RE: A Group - CLG structuring slides.pptxs

Dear Allister

Thank you very much for your kind support! Please see my comments below in red.

Kind regards

Andri

Andri Manatschal

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Allister Crossley ---21.02.2013 17:46:56---Dear Andri Thank you for the below, the additional information is greatly appreciated.

From: Allister Crossley <ACrossley@applebyglobal.com>

To: Andri Manatschal/CH/TLS/PwC@EMEA-CH

Cc: Aidan McCowliff <AMcCowliff@applebyglobal.com>, Juan Thornley <JThornley@applebyglobal.com>, Julia Tabakova/RU/ABAS/PwC@EMEA-CEE, Alexey Bely/CH/TLS/PwC@EMEA-CH, Sergey Bezborodov/CH/TLS/PwC@EMEA-CH

Date: 21.02.2013 17:46

Subject: RE: A Group - CLG structuring slides.pptxs

Dear Andri

Thank you for the below, the additional information is greatly appreciated.

Can I firstly confirm the services that you will require in respect of the proposed structure. From the emails attached, I believe that the following is required:

- Incorporation of CLG1 and CLG2 under the 2006 Companies Act with specific Memorandum and Articles of Association; **Correct. I understand that there is a basic setup fee and that you charge based on time spent if specific requirements should be implemented.**
- We will be required to provide a Director in respect of CLG1 & CLG2; **The client's idea is to have an officer of his Zurich based family office to be the sole director, if ever possible. I understand that a local IoM based registered agent is required and that Appleby can provide such service. If no local based IoM director is required the client would prefer not to have such a director. Pls advice!**
- Incorporation of a Private Protector Company under the 2006 Companies Act; **Correct. For this company a local IoM based director is required. The second director will be a Russia based trusted person.**
- Provision of a Trustee to the Purpose Trust; **Correct.**

As I am sure you will appreciate, I need to obtain the necessary approvals from our compliance team in order to act in respect of this structure. In order to discuss the proposal and ensure that we provide you with a correct fee quote, I need to fully understand the structure and the assets that will ultimately be held by CLG1 & CLG2.

could you please provide further information in respect of the following areas to allow me to move this forward:

- Are there details available of the ultimate operating Companies in Russia with the current holding structure? An indication to the number of companies and their value would be of assistance; **The ABS Electro group of companies consists of a number of operating companies in Russia which are partially consolidated in a Cypriot holding company (ABS International Ltd) or are owned through dedicated Cypriot holding companies. The main assets are the companies OJSC "VNIIR" and OJSC "ABS Automation". You can find information on the activity and history of the group here: <http://www.new.absholdings.biz/eng/>. For Swiss tax purposes, we assessed the overall value of the business assets at approx. CHF 65mln, the true and fair market value is probably considerably higher (the UBO is currently negotiating a sale of a division of the business and the base negotiation price was assessed at USD 100mln.).**
- Do you have details of the Private Assets within Russia and CEE, again, number of assets, current holding structure? An indication of value would be of assistance; **Mainly residential real estate in Russia, Serbia and Montenegro. Overall value at least CHF 10-15mln.**
- You mention that we will be providing co-directors to the CLG entities, could you advise who the other directors will be? **As indicated above, if no co-director is needed based on IoM regulations, the client would prefer to appoint Mr Alessandro Lardi, the managing director and co-shareholder of Veco Trust AG in Zurich as the director of both CLG.**